

103 KAR 41:040. Subjobbers, vending machine operators and unclassified acquirers.

RELATES TO: KRS 138.130, 138.195

STATUTORY AUTHORITY: KRS 131.130(1)

NECESSITY, FUNCTION, AND CONFORMITY: This administrative regulation interprets the statute and outlines procedures for securing cigarette subjobber license, cigarette vending machine operator license and cigarette unclassified acquirer license.

Section 1. Application for Cigarette Subjobber License. (1) Any person desiring to secure a license as a subjobber of cigarettes on which tax evidence has been previously affixed must file an application with the Department of Revenue, Frankfort, Kentucky, on forms prescribed by the department. A separate application must be filed for each place of business from which tax-paid cigarettes are made available to retailers. The application must state the name and address of the business, the nature of the business, the owners or principal officers, the names of other states in which the applicant intends to distribute cigarettes, and include a list of at least five (5) Kentucky retail locations with whom the applicant has made firm arrangements to regularly supply Kentucky tax-paid cigarettes for resale in the regular course of business. If the applicant is a nonresident of the state, the name of a process agent must be designated.

(2) Upon issuance by the Department of Revenue, the license must be displayed in the place of business for which the license was issued.

Section 2. Application for Cigarette Vending Machine Operator License. (1) Any person responsible for stocking a vending machine with cigarettes and accounting for receipts from the sale thereof must file an application for a license as a vending machine operator. The application must be filed with the Department of Revenue, Frankfort, Kentucky, and must state the name and principal address of the business, the nature of the business, the owners or principal officers, the approximate number of machines to be operated, the area of Kentucky in which the machines will be operated, and the names of other states in which cigarettes are to be distributed by the applicant.

(2) Upon issuance by the Department of Revenue, the license must be retained at the principal address of the vending machine operator. If a change of address occurs, written notification must be given the department. The license number along with the name and address of the operator must be affixed to each machine in operation in such a manner as to be visible at the time of the purchase of cigarettes.

Section 3. Application for Cigarette Unclassified Acquirer License. (1) Any person desiring to secure a license as an unclassified acquirer of cigarettes must file an application with the Department of Revenue, Frankfort, Kentucky, on forms prescribed by the department. The application must state the name and address of the person receiving the untax-paid cigarettes, the nature of the business conducted by the applicant, the anticipated source of supply for cigarettes, and the intended distribution of any cigarettes to be received.

(2) Upon issuance by the Department of Revenue, the license must be retained at the address given on the application. If the unclassified acquirer has a change of address, written notification must be given the cabinet. (CT-24, 25, 27; 1 Ky.R. 710; eff. 5-14-1975; Am. 5 Ky.R. 1070; eff. 9-5-1979; TAm eff. 5-20-2009; TAm eff. 6-28-2016.)